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Chairman: Mr. Matute (Vice-Chairman) ..... (Peru)

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In the absence of Mr. Olhaye (Djibouti), Mr. Matute (Peru), Vice-Chairman, took the Chair.

The meeting was called to order at 10.15 a.m.

Agenda item 105: Implementation of the first United Nations Decade for the Eradication of Poverty (1997-2006) (A/54/98 and A/54/316)

1. **Mr. Krassowki** (Deputy-Director, Division for Social Policy and Development, Department of Economic and Social Affairs), introducing the agenda item, referred to the Secretary-General's report (A/54/316). While many Governments had made it a key policy concern, poverty had by no means been eradicated. Three billion people lived on $2 a day or less, millions of children were not in school and 1.5 billion people had no access to clean water.

2. The theme of the Decade for the current year was "Women and the eradication of poverty". Mainstreaming gender perspectives was the key to reducing gender inequalities related to poverty eradication.

3. Partnership among all the actors involved was crucial. A policy framework integrating macroeconomic, financial and social issues and an equitable economic growth strategy would optimize prospects for poverty eradication.

4. The report's recommendations for further action included enhanced international support, both bilateral and multilateral, and the mobilization of additional funding from all available sources.

5. In the year 2000, the theme for the International Day for the Eradication of Poverty would be "Globalization and the eradication of poverty." A special session of the General Assembly would be devoted to the follow-up of the implementation of the Copenhagen Declaration and Programme of Action, of which poverty eradication was one of the core issues.

6. **Mr. Talbot** (Guyana), speaking on behalf of the Group of 77 and China, recalled that the international community had pledged in 1996 to eradicate absolute poverty and reduce overall poverty substantially worldwide within the decade. It was clear that that goal was unlikely to be met, as the numbers of people living in abject poverty continued to rise. The response to that situation had been more rhetorical than real: official development assistance (ODA) had declined, while reliance on global market forces had led only to deepening inequalities. Furthermore, efforts to reduce global poverty had been sharply constrained by the impact of the financial crises of the past two years.

7. The global consensus against poverty heralded at Copenhagen needed to be re-energized by determined action at the global, regional and national levels. The United Nations should provide leadership, and action at the political and policy level should be coupled with concrete activities at the programme and operational level. The integration of a gender perspective throughout was essential to success, as women were among those most severely affected by poverty. Equal access to education was also crucial, since the result would be improved health and living standards and lower birth and mortality rates.

8. The World Bank's recent initiative on poverty was welcome. At the same time, however, the eradication of poverty must not constitute a new conditionality on the developing countries.

9. Actions that the Committee might wish to recommend to the General Assembly for its consideration included:

- Inviting Member States to cut absolute poverty in half by the year 2015;
- Inviting the industrialized countries to increase their ODA to 0.7 per cent of GNP;
- Calling on members of the World Trade Organization (WTO) to make the concerns of developing countries a central focus of the forthcoming Seattle round of multilateral trade negotiations;
- Reviewing, not later than the fifth year of the Decade, the objectives of the first United Nations Decade for the Eradication of Poverty and progress achieved, with a view to agreeing on modified objectives, if appropriate;
- Exploring the possibility of convening broadly based global hearings on poverty eradication with a view to determining a set of anti-poverty initiatives to be launched during the first decade of the twenty-first century;
- Integrating poverty eradication goals and strategies into the task of reforming the international financial structure;
- Examining the impact of globalization and interdependence on poverty eradication.

10. **Mr. Kääriäinen** (Finland), speaking on behalf of the European Union, the associated countries Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia, and the European Free Trade Association country member of the European Economic Area, Iceland, lamented the persistence of world poverty, particularly extreme poverty, and

reaffirmed the European Union's commitment to the international development goal of reducing by half the proportion of people living in extreme poverty by 2015. His delegation agreed with the Secretary-General's statement, in his report, that strong, sustained economic growth and human resource development were fundamental to poverty eradication (A/54/316, paras. 23 and 24). Strategies to combat poverty should promote sustainable growth based on strengthening self-help and the productive capacities of the poor. An increase in targeted social sector investments was also necessary in order to move closer to the goal of universal access to basic social services. The 20/20 Initiative should be the framework for such increases by both poor and donor countries.

11. Within the social sector, priority must be accorded to programmes targeted to the poorest people. With approximately 130 million children out of school and a very high drop-out rate in many countries, there was a need for immediate additional investments in universal primary education and basic health services. Another crucial element of poverty eradication was good governance, characterized by the rule of law, democratization, transparency, accountability and the opportunity for stakeholders to participate in the formulation and implementation of social and economic policies.

12. Referring to the 1999 theme for the International Day for the Eradication of Poverty, "Women and the eradication of poverty", he stressed the linkage between gender equality and poverty reduction and called for a change in mentalities with regard to women and girls. Legislative and administrative reforms would be necessary in order to ensure that women and men had equal access to economic resources, including the right to inheritance and ownership of land and other property, credit, natural resources and appropriate technology. Noting that many women, particularly rural women, had benefited from microfinance services, he said that women should participate in decision-making processes relating to such funds.

13. The United Nations and the World Bank must work together to combat poverty. Poverty eradication efforts should focus on problems of unemployment, particularly in the absence of adequate social safety nets, and debt relief for developing countries attempting to implement sound economic policies. In that connection, the European Union welcomed the most recent initiative to ease the debt burden of the heavily indebted poor countries (HIPCs) and looked forward to its speedy implementation. It also welcomed proposals to link debt relief to poverty reduction and the proposals by the World Bank and the International Monetary Fund (IMF) to link their assistance to poverty reduction strategies. The European Union would make every effort to provide its assistance within the same framework.

14. The international business community must become more actively involved in poverty reduction efforts through increased foreign direct investment (FDI) to developing countries, particularly the least developed countries in sub-Saharan Africa; the prevention of systemic capital market instability; the development of ethical trade and business principles; and practices that were in conformity with the standards of the International Labour Organization (ILO). In that connection, the European Union welcomed recent efforts by various transnational corporations to improve their business behaviour and supported the Secretary-General's proposal for a global compact on human rights, labour and environment, presented at the World Economic Forum in Davos in January 1999.

15. A reversal of the downward trend in ODA was also vital, together with a stronger partnership among all actors, including the United Nations, in order to ensure that Governments were able to assume ownership of their growth and poverty reduction strategies.

16. The European Union supported the Secretary-General's recommendations for possible action and initiatives for poverty eradication towards the new millennium (A/54/316, chap. V). It agreed on the need for good governance, an efficient administrative and institutional support structure, adequate human and financial resource capacity and active partnership among all development actors (A/54/316, para. 44). Particular attention should be devoted to the eradication of extreme poverty. The European Union was prepared to contribute actively to that end. In that connection, it had proposed that poverty eradication in the context of globalization should be a theme of the Millennium Assembly.

17. **Mr. Farar** (United States of America) said that poverty could not be eradicated by the mere transfer of resources to the poor; skills development among them was required. Human-centred development, the concept outlined at Copenhagen, would enable the poor to enjoy basic political and economic freedoms while focusing on practical and effective ways of alleviating their suffering. The education of girls and women was of the first importance in that connection, and the United States Agency for International Development had placed girls' primary education and women's literacy at the top of its agenda.

18. The eradication of poverty must involve providing the poor with the tools they needed to thrive in a more prosperous society. To that end, good governance was critical: Governments must ensure access to health care,

housing, nutrition, education, infrastructure and access to land, and they must strengthen, encourage and protect civil society, local independent agencies, women's groups and non-governmental organizations working to alleviate poverty.

19. Economic growth was strongly correlated with poverty alleviation, and thus the most useful approach lay in the creation of a sound macroeconomic foundation for sustainable growth, with open markets, transparent regulatory systems, strong financial oversight and participatory decision-making.

20. United States President Clinton was seeking to forgive 100 per cent of the official bilateral debt owed by the poorest, most heavily indebted countries to the United States. Such an unprecedented relief initiative would help those countries use their resources to provide for basic human needs and development.

21. Poverty alleviation measures would be most likely to succeed if the poor were involved. Given a chance, the poor would work, save and reinvest their capital and thereby escape from the vicious poverty cycle.

22. **Mr. Chowdhury** (Bangladesh) said that poverty was increasingly viewed as the central challenge for the international community, and poverty reduction had become a major objective of Governments and development agencies. Social goals associated with poverty reduction, including universal primary education, reduced mortality rates and access to reproductive health services, had been widely adopted. To date, unfortunately, the results had been meagre: the proportion of people living in poverty in 1999 was the same as it had been in 1991, and the figure was likely to rise unless immediate action was taken.

23. The financial crises that had ended economic growth in East Asia, falling prices for African commodities, shrinking gross domestic product (GDP) figures in the Middle East and North Africa and natural disasters in various regions had all added to the impact of poverty. Another damaging factor was the debt burden borne by some of the world's poorest countries, aggravated not only by falling commodity prices but also by barriers against their exports.

24. The Secretary-General's report (A/54/316) discussed microcredit and poverty eradication, but it did not adequately show how microcredit programmes could lead to the mobilization of resources even in the poorest societies. Microcredit programmes helped to empower poor women, both within their own families and in their communities. They had proved their worth in situations of financial crisis. Such programs were an efficient and flexible tool in the service of poverty eradication and should be more fully explored and analysed.

25. Poverty was a complex, multidimensional reality, and the task of dealing with it required serious and substantive engagement and detailed recommendations for concrete actions. The eradication of poverty was a global commitment, and it was to be hoped that detailed investigation and analysis would lead to measures that would enable the Decade for the Eradication of Poverty to attain its objectives.

26. **Ms. Vargas** (Costa Rica), speaking on behalf of the Central American countries, said that the multidimensional character of poverty in Central America was exacerbated by the heavy external debt burden. Governments could not simultaneously service their external debt and provide social services. Studies undertaken by the United Nations Development Programme (UNDP) showed that the populations of the region lived in extreme poverty and were unable to break away from the vicious cycle of government assistance and assistance from the international community. That situation was worsened by natural disasters that set back the little progress that the States of the region had been able to make in their social programmes. The Central American countries did not have enough resources to cope with the effects of those catastrophes. Moreover, United Nations reports clearly showed that those natural disasters were aggravated by man-made factors. Natural hazards became disasters when they affected people and their socio-economic infrastructure to such an extent that the community or country could not cope with the overall impact.

27. Attempts should be made to promote sustainable development at the national and international levels. In that regard, the countries of Central America believed that the best means of eradicating poverty was through education and work. For that reason, they endorsed General Assembly resolutions A/53/223 and A/53/198, which highlighted the role of microcredit as an important anti-poverty tool that promoted the generation of productive self-employment and empowered people living in poverty, especially women.

28. The Central American countries had worked hard to maintain peace and consolidate democracy. However, that momentum could only be maintained through social policies that allowed families to secure employment, adequate wages, education, health and shelter. While the need for international solidarity was obvious in times of disaster, it was equally urgent and necessary in the context of international economic relations.

29. **Mr. Nebenzia** (Russian Federation) said that, despite noteworthy progress in the development field, poverty would unfortunately remain one of the central problems to be faced in the new millennium. Meeting the goals of the first United Nations Decade for the Eradication of Poverty would require active cooperation at the national and international levels for the full-scale and effective implementation of the relevant United Nations resolutions and the commitments made at the major world conferences of the 1990s. The operational funds and programmes of the United Nations system had made an important contribution in that area and had helped to integrate various aspects of poverty eradication into national sustainable development strategies. That issue should be the focus of future United Nations activities in the economic and social fields.

30. Poverty was more than an inadequate income: it affected the quality of life in all areas, including literacy, health and access to basic social services. Poverty was not confined to developing countries, either; the UNDP *Human Development Report* noted that over 100 million people in developed countries lived below the poverty threshold.

31. Recent experience with the HIPC initiative had shown the need for further efforts to find a long-term solution to the debt problem for poor countries. Financial support should be coupled with measures to assist debtor countries in mobilizing their own resources, especially by increasing their export potential and improving market access.

32. The goal of reducing absolute poverty by half by 2015 had received broad support, and days, years and decades were being devoted to the eradication of poverty; realistically, however, it was likely that the item would be inscribed on the agenda of the United Nations for a long time to come, until the goal of the eradication of poverty had been fully achieved. As agreed at the Copenhagen Summit, that goal was an ethical, social, political and economic imperative for humanity.

33. **Ms. Morake** (Botswana) said that the ability to translate the general consensus guidelines reached at various United Nations-sponsored international conferences held in the 1990s into regional, national and local action programmes presented an urgent challenge to the entire international community. She therefore urged the donor community to intensify efforts to fulfil the financial commitments undertaken at those conferences.

34. The depth of poverty was greater in sub-Saharan Africa than in any other region. The vast majority of the region's economies were based mainly on natural resources, and much of past development efforts had been at the expense of those resources. Their sustainable utilization should therefore be reconciled with strategies of rapid economic growth through, *inter alia*, economic diversification, job creation and investment in infrastructure, particularly social infrastructure.

35. Domestic strategies geared towards the achievement of those goals required the active engagement of all development actors, including bilateral donors, the Bretton Woods institutions and civil society. The cooperative action required by her Government in that regard should not be limited to policy advice and capacity-building. It should also be reinforced by real injections of FDI into the economy, because Botswana's aim was to reduce dependence on the mining industry by finding new engines of growth as well as promoting the development of non-traditional exports. Her Government was continuing its efforts to create a conducive environment for private sector development, focusing on stimulating export-oriented small- and medium-scale enterprises through the provision of microcredit and grants to women entrepreneurs in the rural areas. Other poverty alleviation measures included the land development programme, through which agricultural packages such as seed, livestock and extension services were provided free of charge, and old-age pension schemes for people aged 65 and above.

36. Women's role as health and economic managers should be recognized, especially in the context of the design and implementation of development plans. More should be done to facilitate greater access to and retention of girls in schools. The HIV/AIDS pandemic had exacerbated poverty in the region, as many breadwinners were lost and children orphaned. It was important for the effects of that pandemic to be seen in economic and social terms because, if it was left unchecked, it had the potential to reverse the notable gains that had been achieved.

37. **Mr. Escandero** (Mexico), noting that poverty was one of the major challenges facing the international community, said that there were clear shortcomings in the struggle for poverty eradication, particularly so far as providing an enabling international economic environment was concerned. That fact had been demonstrated in the case of Latin America and the Caribbean, where progress in social development had been dramatically affected by the turbulence on the international financial markets and large-scale natural disasters.

38. Poverty was a multidimensional phenomenon which called for comprehensive medium- and long-term strategies. In that regard, urgent action was required to maximize synergies at all levels to attack the root causes, and not just the symptoms, of poverty. It was vital to achieve sustainable

economic development in order to foster the creation of more and better jobs and to focus social efforts on education, health and nutrition, particularly in those countries and sectors that were lagging behind. To achieve success in that regard, the international community must support States' efforts to eradicate poverty, provide basic social protection and achieve development. He agreed with the emphasis in the Secretary-General's report on the need for a conducive international environment for integrating developing countries into the global economy. Greater access to the markets of industrialized countries, international financial stability and technological cooperation on an equitable and sustainable basis were indispensable to improving the conditions of developing countries in the era of globalization. To that end, Mexico attached priority to incorporating the challenges of development and to designing a new international financial architecture in the context of the forthcoming round of multilateral trade negotiations.

39. **Mr. Kolby** (Norway) said that strategies for poverty eradication must be flexible enough to work in a variety of situations, and substantial enough to address the underlying causes of poverty. Since an unsustainable debt burden was a major obstacle to achieving the goal of poverty eradication for many developing countries, his delegation supported the timely decision to enhance the HIPC initiative in order to secure faster, deeper and broader debt relief for those countries. It also supported the proposal to establish a stronger linkage between debt relief and poverty eradication and to channel resources freed up from debt servicing to finance social and human development projects, in line with the 20/20 Initiative. The new round of WTO multilateral trade negotiations must set a trade agenda that clearly reflected the interests of the poorest countries. Conditions for market access should be continuously improved; the special and preferential provisions of WTO should be kept under close review; and sufficient trade-related assistance should be provided.

40. While Norway welcomed the halt in the declining ODA trend, it would like to see such trend reversed and the 0.7 per cent target to be met. Norway had consistently exceeded the United Nations target for two decades and expected other Organisation for Economic Cooperation and Development (OECD) countries to do likewise. His Government was considering increasing the current year's ODA from 0.88 per cent to 1 per cent of GDP.

41. In his delegation's view, donors should coordinate their efforts and put results first, just as they had been asking the United Nations funds and programmes and specialized agencies to do. In that regard, the United Nations Development Assistance Framework, the Comprehensive Development Framework and the sectoral development approach held promise for the future. On the other hand, tied aid not only considerably increased the costs of development projects, but also resulted in a multitude of incompatible technical systems that increased recurrent costs for poor developing countries. In that regard, it was encouraging that the majority of OECD Development Assistance Committee members were now in favour of untying aid to the least developed countries.

42. Criteria for ODA should be performance-related and built on a more flexible assessment of the partner's efforts and commitment. Since the Government was the only body with the authority to implement policies that could remove inequalities, its role in poverty reduction was crucial. More investment was required in human capital, education and health.

43. Despite the wide agreement that the empowerment of women was a prerequisite for the effective eradication of poverty, the feminization of poverty seemed to be increasing. Indeed, many women could still not obtain modest loans that would allow them to become independent and productive members of society. Accordingly, changes were needed in legislation in order to reverse that trend.

44. Many studies had demonstrated that investment in women's education produced the highest social returns. Education improved income opportunities, strengthened cultural bonds and promoted women's participation in domestic processes. In that regard, while his delegation supported the recommendations contained in chapter V of the Secretary-General's report, it would like to see the Second Committee placing even greater emphasis on gender in subsequent recommendations.

45. **Archbishop Martino** (Observer for the Holy See) said that the fight against poverty was a moral imperative. Indeed, in a world dominated by globalization and the rapid dissemination of information, the spectacle of fabulously rich people living side by side with desperately poor people should no longer be tolerated. The poor were primarily victims of injustice.

46. One of the most glaring forms of injustice lay in the fact that it was impossible for the poor to have equal access to loans. He therefore welcomed the establishment of microcredit schemes, which were particularly relevant since they were often geared towards women. Experience had demonstrated that helping women was the best way to help eradicate poverty, because women spent most of their resources on their family. Indeed, microcredit was one of the most powerful tools for combating the shameful practice of

usury, which preyed on the poor in developing and rich countries alike. Moreover, it enabled the poor to exercise their right to economic initiative. As a rule, financing from microcredit institutions was usually cheaper than funding under development aid projects. However, much more needed to be done in this area to consider ways and means of implementing specific programmes targeting the poorest segments of the population.

47. There was also a need to establish a new culture of international solidarity. Unfortunately, international assistance had fallen to its lowest level in a number of years. Without an increase in development assistance funding, it would be impossible to meet all the current major challenges ranging from international debt, education and health to access to knowledge for the promotion of economic and social development. Care must be taken, in that regard, to ensure that the funds secured were spent on the objectives for which they had been earmarked. Assistance should not create fresh dependence, but should rather be targeted in such a way as to reach people currently living in poverty and put them in a position to become partners and participants in the grand common scheme of building a human family founded on justice and equity.

48. **Mr. de Moura** (Brazil) said that the recent increase in global poverty was alarming, and that gender inequalities were a very significant variable in the overall poverty equation. Development should lead to the expansion of real freedoms, including enhanced economic opportunity and security, good health and improved education.

49. The eradication of poverty could not be accomplished through anti-poverty programmes alone; it called for democratic participation and the reform of economic structures to ensure equal access to resources, opportunities and public services. National efforts would not succeed, though, without a supportive international economic environment. IMF and the World Bank had joined the United Nations in the struggle against poverty by seeking to integrate social development policy into their agendas. The involvement of the international community, non-governmental organizations and the private sector in the fight against social exclusion was also an encouraging sign.

50. In Brazil, the Government had undertaken to harmonize its internal economic and social reform processes to ensure that macroeconomic stability was consistent with job creation and poverty alleviation policies. Total social spending amounted to 20 per cent more than the target set at the World Summit for Social Development, and efforts to reorganize the national health system and to increase school enrolment rates had been successful. Additional financial stimulus to both rural and urban areas was also being provided for job creation. Furthermore, the "Community Solidarity" programme had been launched in 1995 to develop the partnership between public policy and an increasingly active civil society. The Government had just launched the "Active Community" programme, which took an integrated development approach involving local communities, government and the private sector in meeting basic needs.

51. The international dimension of any strategy to eradicate poverty was crucial. Resources alone were not enough; the international community must coordinate the commercial, financial and social aspects of economic development in order to ensure both growth and justice. Market forces alone would not generate social development. Without action to ensure international financial stability and fair and balanced trade practices, especially for commodities, the costs of globalization would increase, as uneven globalization aggravated exclusion and inequality.

52. **Mr. Shen Guofang** (China) said that poverty eradication had always been high on the agenda of the developing countries, and that the recent Asian financial crisis had raised difficult questions about the new challenges to poverty eradication posed by globalization. Many multilateral development agencies, especially UNDP, the United Nations Population Fund (UNFPA), the United Nations Children's Fund (UNICEF), the Food and Agriculture Organization of the United Nations (FAO) and the Bretton Woods institutions had therefore made it a priority of their work and were enhancing their coordination in order to achieve better results.

53. Cooperation among Governments, civil society and multilateral development agencies was the guarantee for substantive progress in eradicating poverty. Along with domestic efforts, the international environment must also be improved, as it could have a direct impact on developing countries, which were fragile and especially vulnerable to external blows. It must also be recognized that developing countries were vastly different from each other, and a one-size-fits-all policy would not work. In China's experience, measures taken must respond to local conditions. In order for poverty eradication measures to produce desired results, therefore, attention must be given to the concerns of the recipient countries, including their potential social consequences. Recently, IMF had decided to amend its policy of focusing on structural adjustment alone while neglecting the social dimension, and that new approach should have tangible results.

54. China had always given high priority to poverty eradication, and as a result of its efforts since the 1980s, the numbers of its population in abject poverty had decreased drastically. It would continue to intensify its efforts and was prepared to take an active part in international cooperation for the eradication of extreme poverty.

55. **Mr. Öztürk** (Turkey) said that poverty was certainly far from a new phenomenon; however, the reasons for the recent widespread concern with poverty eradication were linked to the forces that had been driving world development over the past two decades. First, technological developments had led to unforseen progress, yet countries remaining outside that process were likely to diverge more sharply from the mainstream of world development. Secondly, if one of the features of globalization was to turn the world into a global village through information and communications technologies, then growing disparities between developed and developing countries would become even more intolerable. Finally, overcoming poverty was increasingly perceived as a significant component of global progress.

56. The primary responsibility for poverty eradication lay with national authorities; it must be matched, however, with international action. There must be no illusions that poverty could be eliminated quickly; a long-term vision over a 20- to 25-year time frame was needed, with time-bound targets. In formulating policies to eradicate poverty, create jobs and empower women, non-governmental organizations also played an important role. They worked at the grass-roots level, close to the targeted populations, and their experience was a valuable input for policy formulation.

57. For Turkey, the objective of overcoming poverty was closely linked to the aim of achieving sustainable growth. While its growth rates had been relatively high and its incidence of absolute poverty low, the Government needed to take further measures to ensure equitable growth in the future.

58. The proclamation of 1997 to 2006 as the United Nations Decade for the Eradication of Poverty, the 20/20 Initiative and the goal of basic social services for all were of particular significance in international cooperation to reduce poverty. The United Nations system, with its extensive experience and expertise in development, had a major role to play in support of poverty eradication policies at the national level. The major global conferences of the 1990s had provided an appropriate background against which such policies could be elaborated.

59. In conclusion, his delegation agreed with the message of the 1997 *Human Development Report* that eradicating poverty everywhere was more than a moral imperative — it was a practical possibility. The resources and know-how existed to create a poverty-free world in less than a generation.

60. **Mr. dos Santos** (Mozambique) said that poverty was a potential threat to the social and political stability of his country, and hence was a matter of primary concern to his delegation. He commended the Secretary-General for the excellent work done thus far towards the eradication of poverty. The discussion on the implementation of the first United Nations Decade for the Eradication of Poverty would provide an opportunity to assess progress and to chart the way forward. Poverty had become a central theme in the international community, and Mozambique shared the goals set for halving absolute poverty by 2015. In order to achieve those goals, a genuine partnership among donors, developing countries, the United Nations system, the Bretton Woods institutions, non-governmental organizations and civil society at large should be forged without delay.

61. Developing countries had primary responsibility for addressing the issue of poverty eradication, which had become a key policy concern for many Governments. His Government had launched programmes, with UNDP support, aimed at the most needy social groups. His delegation was disturbed, however, by the drastic reduction in ODA and the fact that the target of 0.7 per cent of GNP for assistance had never been met. Lack of adequate assistance flows was seriously undermining development efforts. Mozambique was equally concerned by the sharp decline in funding for United Nations funds and programmes, particularly UNDP, which was endangering the system's capacity to address such major international problems as poverty eradication. His delegation appealed to the donor community to provide adequate funding.

62. The economies of the member countries of the Southern African Development Community (SADC) were continuing to grow at an annual average rate of 3 per cent, thanks to sound macroeconomic policies. However, in order to eradicate poverty, the region needed to grow at an average rate of 6 per cent. External indebtedness continued to be the single most important obstacle to the development of many countries, particularly in Africa. Thus, the enhanced HIPC initiative established by IMF and the replacement of the Enhanced Structural Adjustment Facility by a new Poverty Reduction and Growth Facility were particularly welcome.

63. Poverty eradication required true partnership among nations. Although developing countries had responsibility for putting together a comprehensive strategy for growth and poverty reduction, they lacked the capacity and resources

to implement it. Therefore, international assistance and cooperation were fundamental.

64. **Mr. Gamaleldin** (Egypt) expressed support for the statement made by the representative of Guyana on behalf of the Group of 77 and China. The eradication of poverty was not only the central focus of the Committee's work, but the main goal of the international community's efforts to achieve sustainable development.

65. The time had come to envisage a single integrated policy framework, one that would include the issues of trade, finance, technology and others within its purview and would be dedicated to the attainment of that goal.

66. In a context of economic, political and social globalization and an unprecedented technological revolution, half a century after the proclamation of the Universal Declaration of Human Rights, it was inconceivable that some countries should be unwilling to fulfil their commitments in that connection. Yet that was what appeared to be happening. The developed countries were erecting tariff barriers against the exports of the developing countries. With the honourable exception of the Scandinavian countries, they were cutting back on ODA. Moreover, they were not addressing the issues of technology transfer and intellectual property rights, which together acted to prevent the developing countries from benefiting from technological progress.

67. The multidimensional phenomenon of poverty had been addressed by many international organizations and agencies in recent years, to their credit. The recent summit meeting in Cologne had taken a step in the right direction by calling on IMF and the World Bank to cooperate with the developing countries in working out a new anti-poverty strategy in the context of a debt relief initiative for the benefit of the heavily indebted poor countries. The recently announced effort by the President of the United States of America in that connection was welcome. Debt relief would mean that those countries' resources could be redirected to the work of development instead of being swallowed up by debt servicing. As yet, however, most of the burden of the HIPC initiative was being borne by the Scandinavian countries, the Netherlands and Switzerland; the other industrialized countries should assume their fair share.

68. Non-governmental organizations were doing good work in spreading awareness of poverty as a major challenge facing the international community. The organizations of the United Nations system should cooperate more closely with non-governmental organizations to mobilize world opinion in favour of the eradication of poverty. States, too, should translate their professed solidarity with the developing countries in the fight against poverty into tangible form, especially since poverty was a dangerous phenomenon that constituted a threat to international peace and security, as the Secretary-General had noted in his report (A/54/316).

69. It was intolerable for half of humanity to live in abject poverty, or for the international community to be incapable of reducing mortality rates among the world's children or providing them with basic vaccines. The necessary resources and knowledge were available; it was the political will and the courage to shoulder responsibility that were lacking.

70. **Mr. Sfeir-Younis** (World Bank), noting the ineffectiveness of previous approaches to poverty eradication, suggested that the Second Committee should consider conditions facing developing countries which might provide an opportunity to reduce poverty; the main elements of a new strategy to combat poverty globally; and the meaningful use of existing political and institutional mechanisms to that end. Conditions which might assist developing countries in addressing poverty issues at the macroeconomic, institutional and policy levels were, respectively, globalization; the awareness-building role of civil society and the role of the private sector, particularly in creating jobs and spurring rapid economic growth; and the achievement of a balance between the economic and financial aspects of development and social, cultural and institutional concerns.

71. The World Bank was supporting efforts to maintain an enabling environment for poverty reduction in developing countries through their integration into the global financial system and the creation of an International Task Force on Commodity Risk Management In Developing Countries to explore new market-based approaches to managing vulnerability and commodity price volatility.

72. Core elements of a new poverty eradication strategy should include a broadly based understanding of the mechanisms of sustainable poverty reduction; the selection of those public interventions that would have the largest impact on the poor and reduce their vulnerability by reducing income volatility resulting from global and domestic shocks and natural disasters; and the establishment of outcome indicators. The poor must fully participate in and own the design and implementation of poverty reduction strategies, and support must be given to the types of government structures that would enable the poor to lead the eradication process. He called for the building of broad coalitions at the international and national levels to achieve the political and institutional consensus-building necessary to bring about radical changes in patterns of income and wealth distribution. Such coalitions could include, *inter alia*,

the private sector, civil society, governments, religious groups and unions. The undertaking would require new national and global rules and behaviour; a development architecture that also accorded priority to social inclusion; and a major change in the world's value system, in economic and social behaviour and in the language of development.

73. **Dr. Bassani** (World Health Organization) expressed concern at the overall lack of progress in achieving the global goals of reducing infant and child mortality by two thirds and maternal mortality by three quarters by 2015. He noted that simply implementing the right policies could improve a population's state of health, as demonstrated by the experiences of some countries. The preparations for the special session of the General Assembly for an overall review and appraisal of the implementation of the outcome of the World Summit for Social Development and to consider further actions and initiatives should provide an opportunity to focus international attention on health concerns.

74. A number of challenges lay ahead, including the achievement of a serious reduction in excess mortality and morbidity among the poor, which would require Governments to reallocate resources to activities that had proved to be effective and to focus on major diseases, such as malaria, HIV/AIDS and tuberculosis, and on the most vulnerable populations, particularly women. Another challenge would involve tackling major threats to health resulting from economic crises, unhealthy environments, risky behaviour such as tobacco addiction, and sectoral policies which ignored health consequences.

75. Noting that public sector health services were chronically underfunded and that private health care was often inefficiently regulated, he called for the development of more effective health-care systems and services. In sub-Saharan Africa, less than 25 per cent of recurrent expenditures in the public sector were allocated to primary health care, and health-care personnel were concentrated in urban areas to which the majority of the poor had no access. Indeed, the prohibitive cost of medical care was a common cause of poverty, particularly if sudden illness or injury affected the household breadwinner. Thus, social insurance, including that which was based on traditional systems or microcredit schemes, was a vital poverty reduction tool. WHO welcomed recent agreements on debt relief, which might enable poor countries to focus more resources on their health problems.

76. He stressed the need to invest in building a knowledge base accessible to all countries. Currently, 90 per cent of annual expenditure on health research was directed at addressing the problems of the affluent.

77. Improving and protecting the health of the poor must be a shared goal of all institutions working to eliminate extreme poverty. However, public health advice was rarely sought in development decision-making, and health was not an integral component of poverty reduction programmes. On the contrary, some economic development policies actually aggravated health problems; for example, unregulated air pollution had led to a rising incidence of respiratory disease. WHO believed that the special session of the General Assembly in 2000 for an overall review and appraisal of the implementation of the outcome of the World Summit for Social Development could attract strong political support for mainstreaming a health component in the development process.

78. **Mr. Lisk** (International Labour Organization) said that poverty eradication was linked to the four strategic objectives of ILO. The reorganization and mainstreaming of the work of ILO had sharpened its overall focus on poverty, particularly the problems of the working poor, whose numbers had swelled as a result of economic growth that was insufficient to absorb surplus and new labour and led to the informalization of the world of work. It was imperative to establish a coherent policy, at both the national and international levels, for addressing the problems of the working poor, with emphasis on job creation, social protection and social integration. In crisis-affected countries and marginalized economies in developing regions, where the situation of the working poor was further aggravated by the negative impact of globalization and neoliberal policies, it was vital to protect employment opportunities and to maintain an adequate social safety net.

79. ILO provided advice to Member States on the design and implementation of a labour market policy that would address the specific employment and income needs of such vulnerable and disadvantaged groups as women, young job-seekers, the elderly and the disabled. It also advised Member States on the application of labour-based investment policies in both large-scale sectoral investment programmes and local-level projects. Such advice was particularly useful in the context of reconstruction and recovery programmes in conflict-afflicted areas. In June, ILO had taken another crucial step to eradicate poverty by adopting a convention banning the worst forms of child labour in all circumstances.

80. The interrelationship among growth, employment and poverty, with particular reference to gender dimensions, had been analysed in a paper prepared by a United Nations inter-agency team under ILO leadership for the high-level

segment of the substantive session of the Economic and Social Council in 1999. The debate on that paper had reaffirmed the importance of access to employment, including private sector self-employment and cooperatives, for poverty eradication. The deliberations of the Second Committee should contribute to improving coordination between national and international efforts to reduce poverty through the attainment of sustainable, employment-oriented growth.

81. As indicated in the report of the Secretary-General (A/54/316, para. 12), ILO had promoted employment-intensive policies and programmes and assisted Member States in their implementation. Pursuant to the commitments adopted by the World Summit for Social Development, it had, in close cooperation with other United Nations agencies and the Bretton Woods institutions, implemented a number of country employment policy reviews which had demonstrated the role of productive employment in poverty reduction. The reviews had been a valuable input in preparing the ILO report for an international consultation concerning follow-up to the World Summit for Social Development it would convene in Geneva in early November, in anticipation of the special session of the General Assembly in 2000 for an overall review and appraisal of the implementation of the outcome of the World Summit for Social Development.

82. **Mr. Vaher** (United Nations Children's Fund) said that providing a package of high-quality basic social services for children was one of the most effective means of reducing poverty. That package should include universal access to basic education, primary health care, adequate nutrition, and water and sanitation facilities. He called for policy reforms that would create the enabling environment necessary to develop the basic capabilities of women and children. In that connection, UNICEF supported the 20/20 Initiative, for which it was the lead agency within the United Nations system, and enhanced debt relief. At the national level, it supported budget and assistance reviews leading to policy dialogue on basic social services; at the international level, it coordinated United Nations efforts to promote the 20/20 Initiative and had assisted the Governments of the Netherlands, Norway and Viet Nam in organizing two international meetings on its implementation, one in Oslo in 1996 and one in Hanoi in 1998.

83. Social outcome indicators suggested that virtually all countries currently underinvested in basic social services. However, the estimated global shortfall of $80 billion represented only .25 per cent of global annual income. The 20/20 Initiative could generate the resources to close that gap. Increased ODA could also play a critical role in improving access to primary health care, basic education, and water and sanitation facilities.

84. Many developing countries spent more on debt servicing than on basic social services. UNICEF called for faster and steeper debt relief, a precondition for budget restructuring in favour of the poor and children. In that connection, it supported the revised HIPC initiative and the strengthening of the linkage between debt relief and poverty reduction. UNICEF hoped that the countries participating in the new HIPC initiative would accord priority to poverty reduction. It was encouraging that Uganda, the first country to receive HIPC support, had been educating an additional 2 million children since the debt relief was granted. Lastly, debt relief must be funded by new money rather than ODA. UNICEF urged the industrialized countries and international financial institutions to allocate additional resources for that purpose.

The meeting rose at 12.55 p.m.